

A committee created by executive order of the governor of a state as an official agency thereof to commemorate 'United Nations Day' and to conduct a continuing program through the state university and the state public school system for the education of the public, with respect to the purposes and activities of the United Nations, is not entitled to exemption under section 501(c) (3) of the Code of 1954.

As an official agency of the state, the committee is not required to file Federal income tax returns.

Contributions made to or for the use of the committee for exclusively public purposes are deductible by the donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for the use of the committee for exclusively public purposes are deductible for Federal estate and gift tax purposes under the provisions of sections 2055, 2106 and 2522 of the Code.

Advice has been requested whether a committee created by executive order of the governor of a state as an official agency thereof for the purpose of educating the public with respect to the purposes and activities of the United Nations as an instrument of world peace is entitled to exemption under section 501(a) of the Internal Revenue Code of 1954 as an educational organization described in section 501(c) (3) of the Code.

It is stated that the instant committee was created by executive order of the governor of a state to commemorate 'United Nations Day' and to conduct a continuing program through the state university and the state public school system for the education of the public with respect to the purposes and activities of the United Nations as an instrument of world peace. The activities of the committee are supported by public contributions.

Section 501(c) (3) of the Code reads, in part, as follows:

Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, * * * or educational purposes, * * *, no part of the net earnings of which inures to the benefit of any private shareholder or individual. * * *.

Section 1.501(c) (3)-1 of the Income Tax Regulations provides that in order to qualify for exemption under the section of law quoted above, an organization must be both organized and operated exclusively for one or more of the purposes specified therein.

A state or municipality itself does not qualify as an organization of the type described in section 501(c) (3) of the Code since its purposes are clearly not exclusively those described in that section. Similarly, an activity constituting an

integral part of a state or municipal government cannot so qualify inasmuch as the organization engaged therein would still be the state or municipal government, which cannot qualify as an organization described in section 501(c)(3) of the Code. Revenue Ruling 60-384, C.B. 1960-2, 172.

Since the instant committee is an official agency of the State, it is a part of the state government and, therefore, not an organization described in section 501(c)(3) of the Code. Accordingly, it is held that the committee does not qualify for exemption under section 501(c)(3) of the Code.

As a part of the state government, the committee is not required to file Federal income tax returns.

Contributions made to or for the use of the committee for exclusively public purposes are deductible by the donors as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to or for the use of the committee for exclusively public purposes are deductible for Federal estate and gift tax purposes under the provisions of sections 2055, 2106 and 2522 of the Code.